From: Richard Bergner

To: <u>Gary Moore/R6/USEPA/US@EPA</u>

Cc: <u>Stephen Halasz</u>

Subject:

Date: 10/09/2007 12:29 PM Attachments: Moore Attachment.pdf

## Mr. Moore:

I am somewhat surprised you would opine that "the cleanup is being purposely delayed" not knowing the factual background to the current Texas Molecular dispute.

New management at Texas Molecular has tried two ploys to unilaterally revise the existing contractual arrangement. First, they wanted to collect over \$93,000 in past transportation charges and, in going forward, to impose a \$350.00 plus \$75.00 demurrage transportation charge for each load, contending they had the right to do so under the existing contractual arrangement. After searching in vain in their contract files for the contractual support for these claims, Texas Molecular backed away, accepting the fact that transportation and disposal were part and parcel of a single price per gallon.

Having been thwarted in its first thrust, Texas Molecular then took the arbitrary position they would not pick up any additional liquid waste until National Oil Recovery Corporation ("Norco")agreed to their three times the current disposal fee contract price, as well as the transportation fees set out above, with the right to change and increase the disposal and transportation charges upon 30 days written notice.

Attached is a copy of my letter dated October 1, 2007, addressed to Mr. Craig Hoover, one of the new men at Texas Molecular, together with the referenced attachments, outlining Norco's position in respect of the Texas Molecular contractual arrangement and putting Texas Molecular on notice of its breach of contract.

Texas Molecular has not responded to my letter of October 1, 2007.

Tanks 26 and 27 were the primary targets for clean-out, and, as you can see from the schedule prepared by Mr. Halasz and a Texas Molecular representative in Corpus Christi, Norco has diligently complied with its obligations in that regard. Moreover, Norco has paid Texas Molecular to date \$826,132.64, which should give some credence to Norco's bona fides in complying with its clean-up obligations. However, Norco will not be stampeded into agreeing to unilateral onerous revisions to its existing contractual arrangement with Texas Molecular simply to satisfy its ongoing clean-up obligations.

Whatever delay results from the current dispute is not of Norco's doing.

Mr. Hoover is the contact person at Texas Molecular and his telephone number is 281 338-7415.

Please advise if you need additional information on this matter.



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## Richard F. Bergner